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August 31, 1998

Magalie Roman Salas Secretary Federal Communications Commission 1919 M St., N.W. Washington, D.C. 20054

Re: Telephone Number Portability, CC Docket No. 95-116

Dear Ms. Salas:

Pursuant to Public Notice DA 98-1290, released June 29, 1998, on behalf of the Telecommunications Resellers Association, I am enclosing for filing in the referenced proceeding an original and four copies along with a diskette in WordPerfect 5.1 format of the Reply Comments of the Telecommunications Resellers Association on the May 18 Report of the North American Numbering Council on Wireless Number Portability. Please file stamp and return one copy of the Comments (additional copy provided).

Please contact me if you have any questions.

Respectfully submitted,

Linda L. Oliver

Counsel for Telecommunications

Resellers Association

**Enclosures** 

cc: Attached service list

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### FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

#### BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

In the Matter of

Telephone Number Portability

CC Docket No. 95-116

# REPLY COMMENTS OF THE TELECOMMUNICATIONS RESELLERS ASSOCIATION ON THE MAY 18 REPORT OF THE NORTH AMERICAN NUMBERING COUNCIL ON WIRELESS NUMBER PORTABILITY

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August 31, 1998

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#### I. INTRODUCTION

The Telecommunications Resellers Association ("TRA") submits these Reply Comments in response to the Public Notice in CC Docket No. 95–116, released on June 29, 1998. 1/2 The Public Notice seeks comments and replies on a report issued by the North American Numbering Council on local number portability, wireline and wireless integration ("NANC Report").

TRA is vitally concerned with the issues addressed in this proceeding because number portability is critical to promoting competition in wireless

<sup>1/</sup> CC Docket No. 95-116, Public Notice DA 981290, NSD File No. L-98-84, released June 29, 1998 ("Public Notice").

telecommunications markets. TRA submitted Comments on August 10, 1998 to explain the importance of local number portability ("LNP") to wireless resellers and their subscribers. In those comments, TRA explained that:

- delays in implementing wireless number portability will harm consumers:
- the approach suggested in the NANC Report is likely to defer the benefits of wireless number portability for many years; and
- an approach similar to that employed for wireline service should be employed to accelerate deployment of number portability for wireless subscribers.

In these Reply Comments, TRA responds to the positions advanced by other parties in their comments.

## II. THE COMMISSION SHOULD DISREGARD CLAIMS THAT WIRELESS NUMBER PORTABILITY HAS LIMITED VALUE.

In its Comments, TRA explained that LNP is extremely important to wireless resellers and their subscribers because it expands the opportunities for consumer choice among all wireless providers -- whether facilities—based carriers or resellers. 2/ In view of the Commission's commitment to wireless number portability, it is incredible that carriers continue to disparage its value to consumers and other carriers alike.

<sup>2/</sup> Comments of TRA, pp. 3-6.

Sprint PCS, for example, contends that number portability is less important to wireless competition than to wireline competition, but does not explain why the value of number portability should be any less for wirelesss customers than it is for wireline. 3/ According to Sprint, "new wireless providers have limited funds, which would be better devoted to network buildout, system expansion, and price competition." 4/

The Cellular Telecommunications Industry Association ("CTIA"), which also filed comments in this proceeding, advances similar positions. In its comments, CTIA asserts that the competitive benefits of wireless number portability are outweighed by its complexity and attendant costs. 5/ CTIA maintains that its own report demonstrates this fact. However, CTIA's comments contain no economic support for a claim that "as much as \$1 billion" may be required to implement wireless number portability. 6/ Moreover, CTIA's comments present no quantification of the <u>value</u> of number portability in terms of lower prices and more service alternatives that consumers will enjoy in a more competitive market.

Moreover, the need for wireless number portability has already been addressed and established by the Commission. In this and other proceedings, the

<sup>3/</sup> Comments of Sprint PCS, p. ii.

<sup>4/</sup> Id.

<sup>5/</sup> Comments of CTIA, p. ii.

<sup>6,</sup> *Id.*, p. 7.

Commission found that number portability will facilitate competition from new service providers, thus offering incentives for incumbent carriers to reduce prices and improve service quality. I Also, the Commission found that wireless customers face a major disincentive to changing carriers if they also must change telephone numbers. In addition, the Commission concluded that number probability will promote competition between wireless and wireline service providers as the markets for these two services converge. 9/

MCI Telecommunications ("MCI") and other parties submitting comments in response to the Notice clearly acknowledge the importance of wireless number portability for open competition. MCI explains:

"[Local Number Portability] among wireless providers remains a key element of the Commission's efforts to increase competition and create a competitively neutral local exchange market in which end users are not 'locked—in' to providers because of the need to change telephone numbers." 10/

<sup>7/</sup> CC Docket No. 95-116, First Report and Order and Further Notice of Proposed Rulemaking, released July 2, 1996 ("First Report and Order"), para. 159-160.

<sup>8,</sup> Id., para. 157.

<sup>9/</sup> *Id.*, para. 159–160.

<sup>10/</sup> Comments of MCI Telecommunications, p. 3 (emphasis provided).

AT&T Corp. emphasized the importance of the ability to port numbers from wireline to wireless services and stated that "number portability is a critical step in opening the local exchange market to meaningful competition." 11/

TRA urges the Commission to reject attempts to reopen debate on the value of wireless number portability, and to reaffirm its earlier conclusion that number portability is critical in all segments of the telecommunications market. As discussed below, TRA urges the Commission to take the necessary actions to deploy wireless LNP as soon as possible.

# III. CONTRARY TO REQUESTS BY SOME CARRIERS, THE COMMISSION SHOULD TAKE STEPS TO ACCELERATE IMPLEMENTATION OF WIRELESS NUMBER PORTABILITY.

In its Comments, TRA explained that carriers with an established customer base have virtually no incentive to implement wireless number portability. 12/ In fact, carriers have strong incentives to prevent or defer implementation of wireless LNP. Indeed, if wireless LNP were widely available, end users would be encouraged to shop among alternative carriers for lower prices and better services. 13/ Clearly, the incumbent carriers have the most to lose.

<sup>11/</sup> Comments of AT&T Corp., p. 5.

<sup>12/</sup> Comments of TRA, p. 6.

<sup>13/</sup> *Id*.

Bell Atlantic Mobile is a case in point. Rather than advancing methods and procedures for bringing the benefits of wireless LNP to consumers, Bell Atlantic Mobile recommends that the Commission suspend the June 30, 1999, deadline for implementing number portability in the largest 100 market service areas, and grant pending requests for forbearance from this requirement. 14/ United States Cellular Corp. and other parties also call for deferral of this deadline. 15/

In spite of the requests by these carriers, the Commission should not abandon current implementation deadlines. Given the fact that the incumbent carriers will be the only beneficiaries of a delay, the Commission should not extend its deadlines without a demonstrated need. Even then the deadline should be deferred only on a "carrier by carrier" basis. Indeed, as discussed in its initial comments and in the next section, TRA recommends that the Commission accelerate benefits to the great majority of wireless subscribers by affirming a time—phased implementation plan for wireless LNP in the nation's largest markets.

# IV. THE COMMISSION SHOULD ADOPT A PLAN TO PHASE-IN WIRELESS NUMBER PORTABILITY IN THE MAJOR METROPOLITAN SERVICE AREAS.

The plan adopted by the Commission for wireline number portability is already bringing the benefits of number portability to consumers in the largest

<sup>14/</sup> Comments of Bell Atlantic Mobile, Inc., p. 2.

<sup>15/</sup> Comments of United States Cellular Corporation, pp. 1-2.

Metropolitan Statistical Areas ("MSAs"). In contrast, as TRA explained in its Comments, the wireless LNP approach outlined in the NANC Report will not likely provide benefits to subscribers <u>anywhere</u> in the country in the foreseeable future. 16/

Number portability for wireless services must accommodate the fact that a wireless subscriber may be "roaming" outside of the geographic rate center area to which the ported number is assigned. The lack of a fixed line location requires two distinct types of routing — call—related routing of the individual messages, and non-call—related routing of administrative information, including the fact that a mobile subscriber is now located in a particular area and identification of the service features associated with that line.

The approach for non-call related routing described in the NANC Report requires each local wireless network to recognize and process two distinct identification numbers — a Mobile Identification Number ("MIN") and a Mobile Directory Number ("MDN"). 17/ The MIN is used to associate the mobile set with the network, while the MDN is the number that is dialed to reach the mobile phone. When attempting to initiate or receive a call, a mobile station must provide both numbers as well as validation information. All wireless networks must be capable of recognizing and handling a separate MIN and MDN for each call.

<sup>16,</sup> Comments of TRA, p. 9.

<sup>17,</sup> NANC Report, p. 13.

Deployment of this approach entails delays because modifications will be required in all wireless systems throughout the country. Number portability must be provided in the smallest networks covering very sparsely populated rural areas at the same time as for large networks with tens of thousands of wireless subscribers.

Carriers claiming the need for more time to implement wireless LNP point to the need to make the changes in all networks. For example, SBC Communications notes, "Thus, while wireless number portability is only mandated in the top 100 MSAs initially, such implementation [affects] all wireless carriers because of the requirement that all carriers must support nationwide roaming." 18/

As TRA explained previously, it is possible to circumvent the need for a nationwide identification system and establish wireless number portability within major markets by extending the system used for wireline services. 19/ Specifically, a single number for each wireless line would be stored in the computer at the regional Number Portability Administration Center associated with the home service area of the wireless subscriber whose number is ported. Numbers stored in these regional databases would be queried by carrier switches attempting to validate customers in the largest MSAs who have ported their numbers to other providers. Once the correct validation information is received from the database,

<sup>18/</sup> Comments of SBC Communications, Inc., pp. 8-9.

<sup>19/</sup> Comments of TRA, p. 11.

the carrier's switches would be updated with this information. Control would reside with the home area of the ported number, and not be dispersed to all networks serving areas to which the mobile station with a ported number may travel. 20/

Under this system, wireless number portability could be introduced in a logical and systematic way, and its costs would be distributed over time. Wireless LNP could be implemented in groups of MSAs, perhaps staggered on a roughly quarterly basis as for the corresponding wireline capability. 21/ Moreover, subscribers in the major MSAs — which collectively contain most subscribers — would be able to enjoy the benefits of wireless LNP sooner, and without changing the functionality of roaming services provided to non-ported customers whose home area does not yet support wireless LNP. Again using wireline service as a model, the first group targeted for LNP encompassed only seven MSAs, but these seven included the largest four, as well as the 7th, 8th and 12th largest metropolitan areas in the nation.  $\frac{22}{2}$ 

Although Sprint PCS does not credit the importance of wireless LNP, as noted previously in these comments, this carrier specifically recognizes the requirement for time-phased implementation of such a technology. Sprint notes that phased implementation balances the need for rapid deployment with the

<sup>20&</sup>lt;sub>/</sub> Id., p. 12.

<sup>21/</sup> First Report and Order, Appendix E.

<sup>22/</sup> *Id*.

capital constraints that typically face individual carriers using new technologies. 23/ Sprint explains that phased implementation is cost effective, whereas a uniform nationwide deadline is "neither practical nor necessary." 24/

If wireless LNP is to become a reality, it must be implemented as soon as possible for subscribers in the largest MSAs. Therefore, TRA urges the Commission not to delay implementation in the larger wireless markets, but instead to accommodate the claims of carriers in the small MSAs that their costs would be prohibitive by adopting a phased-in approach to implementation.

#### V. AGGRESSIVE ACTION BY THE COMMISSION IS NECESSARY.

Unfortunately, review of the comments submitted in this proceeding shows that there are a host of interrelated and even tangential issues that could divert attention from the need to establish a clear course to wireless LNP. Bell Atlantic Mobile claims that the NANC Report is a "catalog of still to be resolved matters." 25/ BellSouth contends that issues including "the disparity of porting between wireless and wireline carriers" and "industry development of consensus

<sup>23/</sup> Comments of Sprint PCS, p. 3.

<sup>24/</sup> Id.

<sup>25/</sup> Comments of Bell Atlantic Mobile, p. 9.

technical specifications for MIN/MDN separation" must be resolved before wireless number portability can be properly implemented."  $\underline{26}$ /

Some of the perceived problems relate to the implementation of portability between wireline and wireless services, as opposed to portability among wireless carriers. For example, AT&T Corp. focuses on wireline—to—wireless portability in its comments. 27/ Both AT&T and the United States Cellular Corp. contend that with the currently envisioned technology, it will take far longer to port a wireline to a wireless number than a wireline to a wireline number, which places wireless carriers at a competitive disadvantage. 28/

In the face of these complexities, TRA has three recommendations to the Commission in addition to the use of a time-phased implementation schedule, as discussed in the preceding section of these Comments.

First, as MCI Telecommunications notes, the Commission must "aggressively advance wireless number portability." 29/ As this carrier explains, the Commission should put an end to the past delays, impose (and stick to) strict deadlines, and not delay because some wireless carriers are unable to participate. 30/ MCI also notes that some actions addressing number assignment issues that will simplify

<sup>26/</sup> Comments of BellSouth Corp., p. 5.

<sup>27/</sup> Comments of AT&T Corp., p. 3.

<sup>28/</sup> Id., and Comments of United States Cellular Corp., p. 4.

<sup>29/</sup> Comments of MCI Telecommunications, p. 12.

<sup>30,</sup> *Id*.

implementation of wireless number portability will also enhance number portability in the wireline arena as a byproduct. 31/

Second, the Commission should adopt an approach to wireless LNP which builds upon the architecture and infrastructure employed for wireline services to the maximum extent possible. As TRA explained, experience gained in employing the approach for wireline services should reduce the costs and time required for implementation of wireless LNP. 32/

Third, TRA supports AT&T's request that the Commission ensure the implementation of number portability between wireline and wireless carriers. However, TRA also urges the Commission not to allow any difficulties there might be in implementing wireline/wireless portability to delay implementation of wireless/wireless portability. 33/

<sup>31,</sup> *Id.*, pp. 12–13.

<sup>32/</sup> Comments of TRA, p. 12.

<sup>33/</sup> In another context, the Commission has not allowed difficulties and costs associated with the implementation of location portability in the wireline arena to interfere with the implementation of local number portability among wireline service providers.

#### VI. CONCLUSION

For the reasons discussed above, the Telecommunications Resellers

Association urges the Commission to consider adopting an approach that will avoid
unnecessary delays and costs in bringing the benefits of local number portability to
wireless subscribers.

Respectfully submitted,

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August 31, 1998

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#### CERTIFICATE OF SERVICE

I, Barbara E. Clocker, hereby certify that a copy of the foregoing Reply Comments of the Telecommunications Resellers Association on the May 18 Report of the North American Numbering Council on Wireless Number Portability was served by hand delivery upon the following:

Sanh C Chric Barbara E. Clocker

Dated: August 31, 1998

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